



Chairman Hal Rogers

House Committee on Appropriations

**Fiscal Year 2017 Budget Hearing: Housing and Urban Development
March 1, 2016
Opening Statement As Prepared**

Mr. Chairman, thank you for yielding. Secretary Castro, welcome. I appreciate you being with us today to discuss the Fiscal Year 2017 budget request for the Department of Housing and Urban Development (HUD).

The President has requested \$48.9 billion in discretionary funds for HUD, which constitutes a \$1.6 billion increase over Fiscal Year 2016 enacted levels. Additionally, you've requested \$11 billion in funding for new programs on the mandatory side of the ledger. The amount alone is shocking, but the fact that the Administration is proposing new mandatory programs with no specific information or details is especially disturbing. Unfortunately, this has been a troublesome and reoccurring theme across the budget, and I have conveyed a similar message to your colleagues in the past two weeks. In December, we came to a bipartisan agreement with the White House on spending caps for this fiscal year – and we simply cannot and will not tolerate efforts to circumvent these caps by putting these funds on automatic pilot. Although it required many difficult decisions, Congress followed the law and stayed within the caps for the 2016 Omnibus bill. I hope the message is clear that this Committee is committed to staying within those caps for Fiscal Year 2017. If these programs are truly priorities for the Administration, we will need to find a way to make it work within the agreed-upon framework.

In Eastern Kentucky, we have been working on a regional community development initiative known as Shaping Our Appalachian Region (SOAR) to help my area, which has been hit hard with the loss of over 10,000 coal jobs since President Obama took office. One program that provides a true benefit to struggling regions like Appalachia is the Community Development Block Grant (CDBG) program. CDBG is incredibly popular and effective because it provides flexibility to address unique community development needs, and these dollars are often leveraged over many times to carry out projects that otherwise would never get off the ground. In my rural District, small communities have also utilized these funds to help create jobs through the expansion and retention of businesses. Because of the significant impact this program has in my region and across the country, I was disappointed to see the cuts proposed in the Administration's budget proposal.

I would also be remiss, if I didn't mention my concern over the Self-Help Homeownership Opportunity Program, or SHOP. For the past few years, this Administration has recommended moving SHOP into the HOME Partnership Program - and Congress has repeatedly kept it as its own line item. This year you again proposed moving it under HOME. This program allows

low-income homebuyers to contribute significant amounts of their own sweat equity toward the construction or rehabilitation of their homes. This allows many low-income families the otherwise out-of-reach opportunity to own their own home and provide their children with a safe and sanitary place to live, play, and grow. The huge impact this program has across the country justifies it remaining an independent program.

I hope we can work through these issues as the budget process unfolds. Thank you for joining us today, Mister Secretary, I look forward to hearing your testimony. Thank you, Mr. Chairman, and I yield back.

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